

UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

| | | |
|---------------|---|-------------------|
| IN RE: |) | Chapter 7 |
| Art Line, Inc |) | |
| |) | Case No. 08-24841 |
| Debtor |) | |
| |) | |
| |) | |

FIRST AND FINAL APPLICATION OF ABRAMS & STEINBERG, P.C. FOR
COMPENSATION FOR THE PERIOD
JULY 16, 2009 THROUGH NOVEMBER 13, 2012

Pursuant to sections 330 and 331 of the Bankruptcy Code, and Bankruptcy Rule 2016, Abrams & Steinberg, P.C. (A&S) as accountants to the trustee, Richard J. Mason, respectfully requests that this Court approve and allow compensation for professional services rendered during the period July 16, 2009 through November 13, 2012 (the "Application Period"). A&S seeks an aggregate amount of \$1,668.75 in professional fees to ascertain whether the appropriate tax returns were filed, identify that an amended return was required for the fiscal year ended August 31, 2008, communicate with the prior accounting firm, respond to Internal Revenue inquiries and consult with Ira Goldberg, Counsel for the Trustee.

A narrative of the categories of professional services is provided in this Application. The detailed time records of each professional of A&S who provided services are attached at Exhibit 1. The list of professionals providing services, with their hourly rates, hours of service, and aggregate charges for each professional is attached at Exhibit 2.

I. Introduction

A. Statements Required by Statutes, Rules and Orders

On or about September 19, 2008, Art Line, Inc (the "Debtor") filed a voluntary petition under chapter 7 of title 11, United States Code (the "Code).

Richard J. Mason is the duly appointed and acting trustee of the estate of the Debtor.

On or about July 16, 2009, the trustee filed a motion to retain Abrams & Steinberg, P.C. ("A&S") as its accountants. On July 16, 2009, this Court entered an order granting leave to employ A&S as accountants.

The fees charged and expenses incurred by A&S are its usual and customary hourly rates and cost charges that are consistent with fees and costs charged to other clients in both bankruptcy and non-bankruptcy matters during the Application Period. A&S has not made any adjustment to its rates or expenses in consideration of the complexity of the matters presented, delays in payment, risk of non-payment, or for any other reason occasioned by representation of a trustee in a Chapter 7 case.

As of this date, A&S has not received any payment or promise of payment from any entity for the services rendered or the related expenses incurred during the Application Period.

No agreement or understanding exists between A&S and any third person for the sharing of compensation to be received by A&S in this case, except sharing of compensation among the principals of A&S, as allowed by section 504(b) of the Bankruptcy Code and Bankruptcy Rule 2016.

All of the services rendered by A&S for which compensation is requested were rendered at the request of the trustee or their counsel, on its behalf, and not on behalf of any other person or entity. These services are compensable under the authority of sections 330 and 331 of the Bankruptcy Code. The compensation requested for the Application Period is reasonable for the actual and necessary services rendered by A&S, based on the nature, extent and value of such professional services, and the cost of comparable services other than in a bankruptcy case. The undersigned, certifies that each task for which reimbursement is sought in this Application was assigned by him to the professional, paralegal or other employee of A&S who, in his judgment, was the most suitable available professional or support person, as measured by a balance of the expertise necessary to adequately represent the trustee and such person's hourly billing rate. A&S has not previously filed with the Court an application for approval of compensation of the fees requested by this Application.

B. Professionals Rendering Services During the Application Period

During the Application Period, A&S representation of the trustee has been administered by Barry G. Steinberg, as the principal in charge, with assistance primarily from Henry Goldenstein.

Barry G. Steinberg received his Master's Degree from DePaul University and his Bachelor's Degree from Indiana University. Mr. Steinberg is a CPA and is a co-founding principal of A&S. He has over twenty eight years of accounting, tax and consulting experience.

Henry Goldenstein received his Master's Degree in taxation from DePaul University and his Bachelor's Degree from University of Illinois at Urbana-Champaign. Mr. Goldenstein is a CPA with over twenty eight years of accounting, tax and consulting experience.

C. Summary of Work Performed

The following is a general description of the categories into which A&S organized its time records, and under each category a narrative description of the work performed in that category, as well as the total number of hours expended and the amounts requested for each category.

Review of Tax Filings/Determination of Need For Amended Return

Work performed under this category consisted primarily of discussions with former company personnel and the tax preparer, and review of the 2004-2008 fiscal year federal income tax returns.

In connection with the foregoing, A&S expended 3.8 hours for which it seeks final compensation in the amount of \$855.00 for services performed. An itemized breakdown of services rendered and expenses incurred is attached as Exhibit 1. A general breakdown of the services is as follows:

| <u>Name</u> | <u>Hours</u> |
|-------------------|--------------|
| Henry Goldenstein | <u>3.8</u> |
| Total | <u>3.8</u> |

Review of Government Correspondence/Discussion with IRS

Work performed under this category consisted primarily of review of IRS letters to Art Line, Inc, discussions with the tax preparer, phone calls to the IRS and preparation of Form 2848, Power of Attorney and Declaration of Representative.

In connection with the foregoing, A&S expended 1.3 hours for which it seeks final compensation in the amount of \$292.50 for services performed.

An itemized breakdown of services rendered and expenses incurred is attached as Exhibit 1. A general breakdown of the services is as follows:

| <u>Name</u> | <u>Hours</u> |
|-------------------|--------------|
| Henry Goldenstein | <u>1.3</u> |
| Total | <u>1.3</u> |

Preparation of Fee Application

Work performed under this category consisted primarily of reviewing billing records, segregating time and fees by category and preparation of this fee application.

In connection with the foregoing, A&S expended 2.25 hours for which it seeks final compensation in the amount of \$521.25 for services performed.

An itemized breakdown of services rendered and expenses incurred is attached as Exhibit 1. A general breakdown of the services is as follows:

| <u>Name</u> | <u>Hours</u> |
|-------------------|--------------|
| Henry Goldenstein | 2.00 |
| Barry Steinberg | <u>.25</u> |
| Total | <u>2.25</u> |

Wherefore, A&S respectfully requests that this court enter an order:

- (a) Awarding A&S \$1,668.75 for actual, necessary and valuable accounting services rendered by A&S during the period of this final fee application;
- (b) Authorizing the Trustee to immediately pay to A&S \$1,668.75 for its fees.

Respectfully Submitted,
Abrams & Steinberg, P.C.



Barry G. Steinberg, Principal

Barry G. Steinberg
ABRAMS & STEINBERG, P.C.

11/14/2012
10:32 AM

Abrams & Steinberg, P.C.
Pre-bill Worksheet

Page 1

Selection Criteria

Client Selection Include: Art Line

Nickname Art Line | 1613
Full Name Art Line, Inc.
Address
Phone 1 Phone 2
Phone 3 Phone 4
In Ref To
Fees Arrg. By billing value on each slip
Expense Arrg. By billing value on each slip
Tax Profile Exempt
Last bill 10/13/2010
Last charge 11/13/2012
Last payment Amount \$0.00

| Date ID | User Task | Rate Markup % | Hours DNB Time | Amount DNB Amt | Total |
|------------|---|---------------|----------------|------------------|-------------|
| 8/1/2011 | Henry Goldenst 74279 Accounting Accounting Services: gather records, review file | 225.00 | 0.70 0.70 | 157.50 157.50 | Do Not Bill |
| 8/15/2011 | Henry Goldenst 74413 Phone calls Phone calls 8/12/11 and 8/15/11 and follow up | 225.00 | 0.70 0.70 | 157.50 157.50 | Do Not Bill |
| 8/17/2011 | Henry Goldenst 74420 Tax Prep review of file including tax returns and notes | 225.00 | 0.30 0.30 | 67.50 67.50 | Do Not Bill |
| 8/19/2011 | Henry Goldenst 74435 Tax Prep discussion with Dan Di Mario and vm with ira goldberg | 225.00 | 0.20 0.20 | 45.00 45.00 | Do Not Bill |
| 9/16/2011 | Henry Goldenst 74738 Tax Prep review of file including tax returns and notes | 225.00 | 0.10 0.10 | 22.50 22.50 | Do Not Bill |
| 9/23/2011 | Henry Goldenst 74808 Tax Prep review of file including tax returns and notes | 225.00 | 0.30 0.30 | 67.50 67.50 | Do Not Bill |
| 10/19/2011 | Henry Goldenst 75165 Govt corresp poa -preparation and related correspondence | 225.00 | 0.30 0.30 | 67.50 67.50 | Do Not Bill |
| 10/20/2011 | Henry Goldenst 75172 Govt corresp poa -preparation and related correspondence | 225.00 | 0.10 0.10 | 22.50 22.50 | Do Not Bill |

EXHIBIT 1

11/14/2012
10:32 AM

Abrams & Steinberg, P.C.
Pre-bill Worksheet

Page 2

Art Line: Art Line, Inc. (continued)

| Date ID | User Task | Rate Markup % | Hours DNB Time | Amount DNB Amt | Total |
|------------|---|---------------|----------------|----------------|-------------|
| 10/21/2011 | Henry Goldenst | 225.00 | 0.80 | 180.00 | Do Not Bill |
| 75194 | Phone calls | | 0.80 | 180.00 | |
| | Phone calls - with IRS - | | | | |
| 12/9/2011 | Henry Goldenst | 225.00 | 0.10 | 22.50 | Do Not Bill |
| 75645 | Govt corresp | | 0.10 | 22.50 | |
| | documentation | | | | |
| 12/12/2011 | Henry Goldenst | 225.00 | 0.10 | 22.50 | Do Not Bill |
| 75672 | Tax Prep | | 0.10 | 22.50 | |
| | Accounting Services/review of tax returns | | | | |
| 12/13/2011 | Henry Goldenst | 225.00 | 0.10 | 22.50 | Do Not Bill |
| 75681 | Accounting | | 0.10 | 22.50 | |
| | Accounting Services/review of tax returns | | | | |
| 2/21/2012 | Henry Goldenst | 225.00 | 0.50 | 112.50 | Do Not Bill |
| 76549 | Tax Prep | | 0.50 | 112.50 | |
| | review of tax returns/amended returns | | | | |
| 7/12/2012 | Henry Goldenst | 225.00 | 0.70 | 157.50 | Do Not Bill |
| 79280 | Tax Prep | | 0.70 | 157.50 | |
| | review of tax returns/amended returns | | | | |
| 7/16/2012 | Henry Goldenst | 225.00 | 0.10 | 22.50 | Do Not Bill |
| 79304 | Tax Prep | | 0.10 | 22.50 | |
| | review of tax returns/amended returns | | | | |
| 7/24/2012 | Henry Goldenst | 225.00 | 0.50 | 112.50 | Do Not Bill |
| 79365 | Administration | | 0.50 | 112.50 | |
| | prepare fee app for Barry Steinberg | | | | |
| 11/12/2012 | Henry Goldenst | 225.00 | 0.80 | 180.00 | Do Not Bill |
| 80535 | Administration | | 0.80 | 180.00 | |
| | prepare fee app for Barry Steinberg | | | | |
| 11/13/2012 | Barry Steinberg | 285.00 | 0.25 | 71.25 | Do Not Bill |
| 80548 | Administration | | 0.25 | 71.25 | |
| | Review fee app and give changes to Henry Goldenstein. | | | | |
| 11/13/2012 | Henry Goldenst | 225.00 | 0.70 | 157.50 | Do Not Bill |
| 80550 | Administration | | 0.70 | 157.50 | |
| | fee app preparation | | | | |
| TOTAL | Billable Fees | | 0.00 | | \$0.00 |
| | Do Not Bill | | 7.35 | \$1,668.75 | |

EXHIBIT 1

Art Line, Inc
Schedule of Professionals Providing Services

| <u>Name</u> | <u>Hourly Rate</u> | <u>Hours of Service</u> | <u>Aggregate Charges</u> |
|-------------------|--------------------|-------------------------|--------------------------|
| Barry Steinberg | \$285.00 | .25 | \$71.25 |
| Henry Goldenstein | \$225.00 | <u>7.10</u> | <u>1,597.50</u> |
| Total | | <u>7.35</u> | <u>\$1,668.75</u> |

Exhibit 2